

# NEWS RELEASE

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## **Former KBR Employee Sentenced to 15 Months in Prison for Accepting Kickbacks**

Rock Island, IL – Jan Paul Miller, United States Attorney for the Central District of Illinois, announced that Glenn Allen Powell, a former employee of Kellogg, Brown & Root Services, Inc. (KBR), was sentenced today to a term of 15 months in prison for defrauding the United States and accepting kickbacks of more than \$100,000 from an Iraqi subcontractor for the renovation of buildings in Iraq. U.S. District Judge Michael Mihm also ordered Powell, 40, of Cedar Park, Texas, to pay restitution in the amount of \$90,973.99. Judge Mihm allowed Powell to self-report to begin serving his prison term at a date and location to be determined by the Federal Bureau of Prisons.

In August 2005, Powell pleaded guilty to accepting \$110,300 in kickbacks on a government subcontract awarded to an Iraqi company. The subcontract was awarded under the LOGCAP (Logistics Civil Augmentation Program) III prime contract between the U.S. Army and KBR. LOGCAP is a U.S. Army program that uses civilian contractors to support the logistical needs of the U.S. military forces. In December 2001, the LOGCAP III prime contract was awarded to KBR by the U.S. Army Operations Support command, with headquarters at the Rock Island Arsenal in Rock Island, Illinois.

During his guilty plea in August 2005, Powell admitted that he and the managing partner of the Iraqi company agreed that Powell would receive a 20% kickback on the subcontract price, or approximately \$121,800. From July 2004 to January 2005, Powell received approximately \$110,300 as kickbacks on the building renovation subcontract.

The charges were the result of an investigation by the Federal Bureau of Investigation, Springfield Division; the Internal Revenue Service Criminal Investigation Division, Chicago Field Office; the Defense Criminal Investigative Service, Central Field Office, St. Louis, Missouri; and, the U.S. Army Criminal Investigation Division, North Central Fraud Field Office, Detroit, Michigan.

The case was prosecuted by Jeffrey B. Lang, Supervisory Assistant U.S. Attorney, Rock Island Division; Gregory R. Walters, Assistant U.S. Attorney, Peoria Division; and John Michelich, Senior Trial Attorney, Criminal Division, Fraud Section, U.S. Department of Justice.

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